

B

BILL LOCKYER, Attorney General  
of the State of California  
ALFREDO TERRAZAS (SBN 78403)  
Deputy Attorney General  
California Department of Justice  
1515 Clay Street, 20th Floor  
Oakland, California 94512  
Telephone: (510) 622-2220

Attorneys for Complainant

**BEFORE THE  
BOARD OF PSYCHOLOGY  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

Case No. W 178

**LOREN LANCE LEE, Ph.D.**  
290 Los Gatos Almaden Road  
Los Gatos, CA 95032

**STIPULATION, WAIVER  
AND ORDER THEREON**

License No. PSY 11627,

Respondent.

IT IS HEREBY STIPULATED by and between Loren Lance Lee, Ph.D.,  
(hereinafter "respondent") and his attorneys of record, Julian J. Hubbard, Esq. and Bruce W.  
Ebert, Ph.D., Esq., and the Board of Psychology (hereinafter "Board") by and through its  
attorney Alfredo Terrazas, Deputy Attorney General, as follows:

1. Accusation No. W 178 is presently pending before the Board. A copy of  
said Accusation is attached hereto as Exhibit A and incorporated herein by reference.
2. Respondent is represented by Julian J. Hubbard, Esq. and Bruce W. Ebert,  
Ph.D., Esq, Attorneys at Law.
3. Respondent understands the nature of the charges and allegations in  
Accusation No. W 178 as constituting cause for discipline upon him and has had them explained

1 to him by his attorneys.

2 4. That the respondent's license history and status as set forth at paragraph 2  
3 of the Accusation are true and correct and that the respondent's address of record is as set forth in  
4 the caption of this Stipulation and Waiver.

5 5. That at the time of executing and filing the Accusation, Thomas O'Connor  
6 was the Executive Officer of the Board and filed the Accusation solely in his official capacity  
7 and not otherwise.

8 6. Respondent is fully aware of and has had explained to him by his attorneys  
9 his right to a decision based on a hearing on the charges and allegations in Accusation No. W  
10 178, his right to reconsideration, to appeal and any and all other rights which may be accorded to  
11 him under the California Administrative Procedure Act and the laws of the State of California as  
12 they may be related to Accusation No. W 178.

13 7. Respondent fully, voluntarily and after consulting with his attorneys  
14 waives his right to a decision based on a hearing, reconsideration and appeal and any and all  
15 other rights which may be accorded to him under the California Administrative Procedure Act  
16 and the laws of the State of California as they may relate to Accusation No. W 178, except his  
17 right to petition for reinstatement after a period of not less than three years following the  
18 effective date of this voluntary surrender pursuant to Business and Professions Code section  
19 2962.

20 8. All admissions of fact and conclusions of law contained in this Stipulation  
21 are made exclusively for this proceeding and any future proceeding between the Board of  
22 Psychology and the respondent and shall not be deemed to be admissions for any purpose in any  
23 other administrative, civil or criminal action, forum or proceeding. Respondent understands the  
24 nature of the charges alleged in the Accusation and that, if proven at hearing, the charges and  
25 allegations would constitute cause for imposing discipline upon his certificate as a psychologist.  
26 Respondent and his counsel are aware of each of respondent's rights, including the right to a  
27 hearing on the charges and allegations; respondent's right to confront and cross-examine  
28 witnesses who would testify against him; respondent's right to present evidence in his favor or to

1 call witnesses in his behalf, or to so testify himself; respondent's right to contest the charges and  
2 allegations and any other rights which may be accorded him pursuant to the California  
3 Administrative Procedure Act (Gov. Code, §11500 et seq.); his right to reconsideration, appeal to  
4 the superior court and to any other or further appeal; respondent understands that in signing this  
5 stipulation rather than contesting the accusation, he is enabling the Board to accept the voluntary  
6 surrender of his license without further process. For purposes of the settlement of the action  
7 pending against respondent in Accusation No. W 178 and to avoid a lengthy administrative  
8 hearing that would impose severe economic hardship upon him, the emotional strain upon him,  
9 his family and his colleagues, and upon the individual complainant to the Board of Psychology  
10 referenced in the Accusation and her family, as well as the risks associated with such a trial,  
11 respondent admits that, *if proven*, there is a factual and legal basis for the imposition of discipline  
12 by the Board of Psychology pursuant to the allegations of Accusation Number W-181, which are  
13 substantially related to the qualifications, functions or duties of a psychologist. Therefore, while  
14 neither admitting nor denying the factual allegations of Accusation Number W-178, regarding  
15 respondent's alleged treatment of individual complainant K.H. in California, respondent  
16 stipulates to the jurisdiction of the Board of Psychology to enter as its Decision in this matter the  
17 Order contained in this Stipulation, Waiver and Order Thereon.

18                 9.         Respondent desires and agrees to surrender his psychologist's license to  
19 the Board, thereby relinquishing his right to practice psychology in the State of California  
20 effective upon adoption of this surrender and assignment of an effective date by the Board of  
21 Psychology.

22                 10.        Respondent specifically waives the renewal provisions of Business and  
23 Professions Code sections 2982, 2984 and 2986 and agrees that he will not apply to the Board to  
24 have his certificate renewed, restored, reissued or reinstated and will not apply for a new  
25 certificate for at least three (3) years after the effective date of this decision and that any such  
26 application shall be deemed a petition for reinstatement of the certificate and treated according to  
27 the provisions of Business and Professions Code section 2962 or any similar section that is in  
28 effect at the time of such an application.

1           11.     Respondent expressly agrees that should he in the future petition for  
2 reinstatement of his certificate, the factual allegations of the First and Second Causes for  
3 Disciplinary Action contained in Accusation Number W-178 shall be deemed admitted.

4           12.     Respondent understands that by signing this Stipulation he is enabling the  
5 Board of Psychology to issue its order accepting the voluntary surrender of his license without  
6 further process. Respondent understands and agrees that Board staff and counsel for complainant  
7 may communicate directly with the Board of Psychology regarding this Stipulation, without  
8 notice to or participation by respondent. In the event that this Stipulation is rejected for any  
9 reason by the Board, it will be of no force or effect for either party. The Board will not be  
10 disqualified from further action in this matter by virtue of its consideration of this Stipulation.

11           13.     Respondent clearly understands and agrees that by voluntarily agreeing  
12 to the surrender of his certificate of licensure by the Board for their formal acceptance, upon  
13 acceptance of the Stipulation by the Board, respondent understands that he will no longer be  
14 permitted to practice as a Psychologist in California, and also agrees to surrender and cause to be  
15 delivered to the Board both his license and any other certificate issued to him by them before the  
16 effective date of the decision.

17           14.     Respondent fully understands and agrees that if and when he files an  
18 application for relicensure or reinstatement in the State of California, the Board shall treat it as a  
19 petition for reinstatement and that respondent must comply with all the laws, regulations and  
20 procedures for reinstatement of a revoked license in effect at the time the petition is filed, and all  
21 of the charges and allegations contained in Accusation No. W 178 will be deemed to be true,  
22 correct and admitted by respondent when the Board determines whether to grant or deny the  
23 petition. Further, for purposes of preservation of evidence, Investigative Report Number 1F 98  
24 93208 dated September 28, 1999 and documents, reports, letters and other records, identified as  
25 Attachments 1 through 10 prepared by Senior Special Investigator James Ball, and appended  
26 hereto as Exhibit B may be introduced at the reinstatement hearing and may be considered, as  
27 direct evidence, in deciding whether the certificate should be reinstated. Further, the trial binders  
28 prepared by the parties in anticipation of administrative hearing labeled Complainant's Exhibits

1 1 through 30 and Respondent's Exhibits 1 through 45 and the Motion to Dismiss shall also be  
2 preserved and may be introduced at the reinstatement hearing and may be considered, as direct  
3 evidence, in deciding whether the certificate should be reinstated.

4 The above-described documents, clearly labeled, shall be submitted to the Board  
5 for inclusion in respondent's file immediately after the adoption of this stipulation as the Board's  
6 decision in this matter.


7 15. Further, respondent agrees that should the Board decide favorably on any  
8 Petition for Reinstatement of Licensure filed by respondent, pursuant to Business and  
9 Professions Code section 125.3 (i), respondent agrees to pay the reasonable costs of the  
10 investigation and enforcement of this case. The parties agree that the total of this sum shall be  
11 \$5,000.00

12 16. In consideration for all of the above, the Board of Psychology is  
13 authorized to accept the voluntary surrender of respondent's Psychologist's license No. PSY  
14 11627 upon the terms and conditions specified above.

15 17. IT IS FURTHER STIPULATED AND THE PARTIES AGREE that the  
16 admissions and terms and conditions set forth herein shall be null and void and not binding upon  
17 them unless and until approved and adopted by the Board of Psychology.

18 DATED: March 21, 2001

19 BILL LOCKYER, Attorney General of the  
20 State of California

21   
22 ALFREDO TERRAZAS  
23 Deputy Attorney General  
24 Attorneys for Complainant

25 //

26 //

27 //

28 //

1 I hereby certify that I have read this Stipulation, Waiver and Order Thereon in its entirety, that I  
2 fully understand all of same, and in witness thereof, I affix my signature this \_\_\_\_ day of \_\_\_\_  
3 \_\_\_\_, 2001 at \_\_\_\_, California.  
4

5 DATED: 3/23/01  
6

  
LOREN LANCE LEE, Ph.D.  
Respondent

8 APPROVED AS TO FORM.  
9

10 DATED: 3/22/01  
11

  
JULIAN J. HUBBARD, ESQ.  
Attorney for Respondent


12 DATED: 3/27/01  
13

  
BRUCE W. EBERT, Ph.D., Esq.  
Attorney for Respondent

14  
15  
16  
17  
18 **DECISION AND ORDER OF**  
19 **THE BOARD OF PSYCHOLOGY**  
20 **DEPARTMENT OF CONSUMER AFFAIRS**

21 The heretofore Stipulated Waiver and Surrender in case number W 178, is hereby  
22 adopted as the Decision and Order of the Board of Psychology, Department of Consumer Affairs.  
23 An effective date of June 15, 2001 has been assigned to this Decision and Order.

24 Made this 16th, day of May, 2001.

25  
26   
Martin R. Greenberg, Ph.D.  
President, Board of Psychology  
Department of Consumer Affairs  
27  
28

BILL LOCKYER, Attorney General  
of the State of California  
RONALD V. THUNEN, JR.  
Deputy Attorney General  
California Department of Justice  
455 Golden Gate Avenue, Suite 11000  
San Francisco, CA 94102-3664  
Telephone: (415) 703-5531  
Facsimile: (415) 703-5480

Attorneys for Complainant

BEFORE THE  
BOARD OF PSYCHOLOGY  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA

In the Matter of the Accusation	)	Case No. W178
Against:	)	
Loren Lance Lee, PhD.	)	ACCUSATION
290 Los Gatos Almaden Road	)	
Los Gatos, CA 95032	)	
License No. Psy 11627,	)	
Respondent.	)	

The Complainant alleges:

PARTIES

1. Complainant, Thomas O'Connor, is the Executive Officer of the Board of Psychology (hereinafter the "Board") and brings this accusation solely in his official capacity.

2. On or about March 21, 1990, License No. Psy 11627 was issued by the Board of Psychology to Loren Lance Lee, PhD. (hereinafter "respondent"), and at all times relevant to the charges brought herein, this license has been in full force and effect. Unless renewed, it will expire on February 29, 2000.

## STATUTES

### 3. Business and Professions Code section 2960

provides:

"The board may refuse to issue any registration or license, or may issue a registration or license with terms and conditions, or may suspend or revoke the registration or license of any registrant or licensee if the applicant, registrant, or licensee has been guilty of unprofessional conduct. Unprofessional conduct shall include, but not limited to:

(a) Conviction of a crime substantially related to the qualifications, functions or duties of a psychologist or psychological assistant.

(b) Use of any controlled substance as defined in Division 10 (commencing with Section 11000) of the Health and Safety Code, or dangerous drug, or any alcoholic beverage to an extent or in a manner dangerous to himself or herself, any other person, or the public, or to an extent that this use impairs his or her ability to perform the work of a psychologist with safety to the public.

(c) Fraudulently or neglectfully misrepresenting the type or status of license or registration actually held.

(d) Impersonating another person holding a psychology license or allowing another person to use his or her license or registration.

(e) Using fraud or deception in applying for a license or registration or in passing the examination provided for in this chapter.

(f) Paying, or offering to pay, accepting, or soliciting any consideration, compensation, or remuneration, whether monetary or otherwise, for the referral of clients.

(g) Violating Section 17500.



(h) Willful, unauthorized communication of information received in professional confidence.

(i) Violating any rule of professional conduct promulgated by the board and set forth in regulations duly adopted under this chapter.

(j) Being grossly negligent in the practice of his or her profession.

(k) Violating any of the provisions of this chapter or regulations duly adopted thereunder.

(l) The aiding or abetting of any person to engage in the unlawful practice of psychology.

(m) The suspension, revocation or imposition of probationary conditions by another state or country of a license or certificate to practice psychology or as a psychological assistant issued by that state or country to a person also holding a license or registration issued under this chapter if the act for which the disciplinary action was taken constitutes a violation of this section.

(n) The commission of any dishonest, corrupt, or fraudulent act.

(o) Any act of sexual abuse, or sexual relations with a patient, or sexual misconduct which is substantially related to the qualifications, functions or duties of a psychologist or psychological assistant.

(p) Functioning outside of his or her particular field of fields of competence as established by his or her education, training, and experience.

(q) Willful failure to submit, on behalf of an applicant for licensure, verification of supervised experience to the board.

(r) Repeated acts of negligence."

4. Business and Professions Code section 2964.6

1 provides:

2 "An administrative disciplinary decision that  
3 imposes terms of probation may include, among  
4 other things, a requirement that the licensee  
5 who is being placed on probation pay the  
6 monetary costs associated with monitoring the  
7 probation."

8  
9  
10 5. Business and Professions Code section 125.3

11 provides:

12 "(a) Except as otherwise provided by law, in  
13 any order issued in resolution of a  
14 disciplinary proceeding before any board  
15 within the department or before the  
16 Osteopathic Medical Board, the board may  
17 request the administrative law judge to  
18 direct a licentiate found to have committed a  
19 violation or violations of the licensing act  
20 to pay a sum not to exceed the reasonable  
21 costs of the investigation and enforcement of  
22 the case.

23 "(b) In the case of a disciplined licentiate  
24 that is a corporation or a partnership, the  
25 order may be made against the licensed  
26 corporate entity or licensed partnership.

27 "(c) A certified copy of the actual costs, or  
a good faith estimate of costs where actual  
costs are not available, signed by the entity  
bringing the proceeding or its designated  
representative shall be prima facie evidence  
of reasonable costs of investigation and  
prosecution of the case. The costs shall  
include the amount of investigative and  
enforcement costs up to the date of the  
hearing, including, but not limited to,  
charges imposed by the Attorney General.

(d) The administrative law judge shall make  
a proposed finding of the amount of  
reasonable costs of investigation and  
prosecution of the case when requested  
pursuant to subdivision (a). The finding of  
the administrative law judge with regard to  
costs shall not be reviewable by the board to  
increase the cost award. The board may  
reduce or eliminate the cost award, or remand  
to the administrative law judge where the

proposed decision fails to make a finding on costs requested pursuant to subdivision (a).

(e) Where an order for recovery of costs is made and timely payment is not made as directed in the board's decision, the board may enforce the order for repayment in any appropriate court. This right of enforcement shall be in addition to any other rights the board may have as to any licentiate to pay costs.

(f) In any action for recovery of costs, proof of the board's decision shall be conclusive proof of the validity of the order of payment and the terms for payment.

(g) (1) Except as provided in paragraph (2), the board shall not renew or reinstate the license of any licentiate who has failed to pay all of the costs ordered under this section.

(2) Notwithstanding paragraph (1), the board may, in its discretion, conditionally renew or reinstate for a maximum of one year the license of any licentiate who demonstrates financial hardship and who enters into a formal agreement with the board to reimburse the board within that one-year period for the unpaid costs.

(h) All costs recovered under this section shall be considered a reimbursement for costs incurred and shall be deposited in the fund of the board recovering the costs to be available upon appropriation by the Legislature.

(i) Nothing in this section shall preclude a board from including the recovery of the costs of investigation and enforcement of a case in any stipulated settlement.

(j) This section does not apply to any board if a specific statutory provision in that board's licensing act provides for recovery of costs in an administrative disciplinary proceeding."

//

//

## ETHICAL STANDARDS

6. The American Psychological Association is a national organization of professional psychologists. This organization publishes a set of ethical principles which constitute generally agreed upon (among psychologists) rules of professional behavior. These ethical principles recognize the vulnerability of patients, students, and supervisees with whom a psychologist deals. Through nationwide acceptance by psychologists, these principles have become the standard of practice for psychologists in their relationships with patients, supervisees and students.

A. Ethical Standard 1.17 provides:

### **Multiple Relationships.**

(a) In any communities and situations, it may not be feasible or reasonable for psychologists to avoid social or other nonprofessional contacts with persons such as patients, clients, students, supervisees, or research participants. Psychologists must always be sensitive to the potential harmful effects of other contacts on their work and on those persons with whom they deal. A psychologist refrains from entering into or promising another personal, scientific, professional, financial, or other relationship with such persons if it appears likely that such a relationship reasonably might impair the psychologist's objectivity or otherwise interfere with the psychologist's effectively performing his or her functions as a psychologist, or might harm or exploit the other party.

(b) Likewise, whenever feasible, a psychologist refrains from taking on professional or scientific obligations when preexisting relationships would create a risk of such harm.

(c) If a psychologist finds that, due to

unforeseen factors, a potentially harmful multiple relationship has arisen, the psychologist attempts to resolve it with due regard for the best interests of the affected person and maximal compliance with the Ethics Code.

B. Ethical Standards 1.19 provides:

**Exploitative Relationships.**

(a) Psychologists do not exploit persons over whom they have supervisory, evaluative, or other authority such as students, supervisees, employees, research participants, and clients or patients. (See also Standards 4.05-4.07 regarding sexual involvement with clients or patients).

(b) Psychologists do not engage in sexual relationships with students or supervisees in training over whom the psychologist has evaluative or direct authority, because such relationships are so likely to impair judgment or be exploitative."

C. Ethical Standards 4.07 provides:

**Sexual Intimacies With Former Therapy Patients.**

(a) Psychologists do not engage in sexual intimacies with a former therapy patient or client for at least two years after cessation or termination of professional services.

(b) Because sexual intimacies with a former therapy patient or client are so frequently harmful to the patient or client, and because such intimacies undermine public confidence in the psychology profession and thereby deter the public's use of needed services, psychologists do not engage in sexual intimacies with former therapy patients and clients even after a two-year interval except in the most unusual circumstances. The psychologist who engages in such activity after the two years following cessation or termination of treatment bears the burden of demonstrating that there has been no exploitation, in light of all relevant factors, including (1)

1 the amount of time that has passed since  
2 therapy terminated, (2) the nature and  
3 duration of the therapy, (3) the  
4 circumstances of termination, (4) the  
5 patient's or client's personal history, (5)  
6 the patient's or client's current mental  
7 status, (6) the likelihood of adverse impact  
8 on the patient or client and others, and (7)  
9 any statements or actions made by the  
10 therapist during the course of therapy  
11 suggesting or inviting the possibility of a  
12 posttermination sexual or romantic  
13 relationship with the patient or client.  
14 (See also Standard 1.17, Multiple  
15 Relationships)."

16 D. Ethical Standards 6.03 provides:

17 **Accuracy and Objectivity in Teaching.**

18 "(a) When engaged in teaching or training,  
19 psychologists present psychological  
20 information accurately and with a reasonable  
21 degree of objectivity.

22 (b) When engaged in teaching or training,  
23 psychologists recognize the power they hold  
24 over students or supervisees and therefore  
25 make reasonable efforts to avoid engaging in  
26 conduct that is personally demeaning to  
27 students or supervisees. (See also  
Standards 1.09, Respecting Others, and 1.12,  
Other Harassment)."

28 E. Ethical Standards 6.05 provides:

29 **Assessing Student and Supervisee  
30 Performance.**

31 "(a) In academic and supervisory  
32 relationships, psychologists establish an  
33 appropriate process for providing feedback  
34 to students and supervisees.

35 (b) Psychologists evaluate students and  
36 supervisees on the basis of their actual  
37 performance on relevant and established  
38 program requirements."

39 **RESPONDENT'S RELATIONSHIP WITH K.H.**

40 7. Respondent's first contact with K.H. was in

1 September or October 19, 1995 when K.H. was referred to  
2 respondent by a marital counselor who felt that respondent's  
3 Chinese-American ancestry would assist him in understanding  
4 K.H.'s concerns. (K.H. and her husband are both Chinese and  
5 immigrated to the United States to attend college). Respondent's  
6 relationship to K.H. was as therapist and patient for two to  
7 three months.

8           8. In January 1996, respondent and K.H. terminated  
9 counseling by mutual agreement and commenced a new relationship  
10 as mentor/mentee. K.H. was enrolled in a master's degree program  
11 in counseling and respondent acted as an advisor; later, when  
12 K.H. was working as a practice counselor, respondent was her  
13 supervisor.

14           9. During the Spring and early Summer of 1996,  
15 respondent and K.H. collaborated on programs where respondent was  
16 introduced to various Chinese-American organizations and made  
17 presentations on psychological subjects of special interest and  
18 concern to the Chinese-American community.

19           10. During this time, respondent made tentative  
20 romantic gestures toward K.H. and discussed with her his personal  
21 life and his own experience as a psychotherapy patient. Also  
22 during this time, respondent and K.H. occasionally met for lunch  
23 or dinner.

24           11. During the period from August 1996 through May or  
25 June 1997, K.H. acted as a trainee counselor at a high school.  
26 Respondent acted as her supervisor and met with her once a week.  
27 During the latter portion of this time period, respondent also

1 tutored K.H. in connection with a college course on the  
2 relationship between psychology and theology. During the  
3 supervisory and tutoring sessions, respondent and K.H.  
4 periodically engaged in romantic kissing and caressing.

5 12. K.H. completed her master's degree program in June  
6 1997. Respondent continued to meet with her once or twice a  
7 month as her mentor. In the next academic year (Fall 1997), K.H.  
8 resumed counseling at the same high school, this time in the  
9 capacity of counseling intern. Respondent did not act as K.H.'s  
10 supervisor during this period, but respondent and K.H. continued  
11 to meet, ostensibly in continuance of the mentor/mentee  
12 relationship.

13 13. In the Spring of 1998, K.H. was offered and  
14 accepted a position on the staff of the counseling center where  
15 respondent was the director.

16 14. Shortly thereafter, K.H. disclosed to her husband  
17 that she had been romantically involved with respondent. In  
18 turn, K.H.'s husband complained to respondent and to the co-  
19 director of the counseling center. The ensuing discussions  
20 between K.H.'s husband, respondent, and the co-director  
21 culminated in execution of the document appended hereto as  
22 Exhibit "A".

23 15. Respondent's account this relationship was K.H.  
24 differs in several material respects:

25 (a) Respondent contends that, although K.H. was  
26 referred to him for counseling, no therapist/client relationship  
27 ever existed, because at the first meeting, respondent stated



1 that he could be either mentor or therapist to her, but not both,  
2 and K.H. chose the mentor/mentee relationship. Respondent  
3 contends that the first meeting was in January or February of  
4 1996, not September or October of 1995.

5 (b) Respondent denies all romantic advances, whether  
6 physical or verbal.

7 (c) Respondent contends that K.H. would, from time to  
8 time, accuse him of not being supportive of her. He would then  
9 reassure her and tell her that he was not abandoning her, and she  
10 would "return to normal". According to respondent, as time went  
11 on, these periods of anger and accusation became more frequent  
12 and intense, requiring respondent to work harder to reassure her.  
13 Respondent contends that he suggested that she obtain counseling,  
14 but that she resisted these suggestions.

15 (d) According to respondent, beginning in late 1997,  
16 K.H. began to speak to him of past romantic contacts between the  
17 two of them, even though no such contact had ever occurred.  
18 Specifically, K.H. made reference to times that the two of them  
19 had "made love". Notwithstanding these utterances, which  
20 respondent took to be evidence of delusions, respondent did not  
21 object to the hiring of K.H. as a counselor at the counseling  
22 center.

23 (e) Respondent signed Exhibit A not because he agreed  
24 that he had done anything wrong, but because he was afraid of  
25 losing his psychologist's license if K.H.'s allegations were made  
26 public.

27 //

**FIRST CAUSE FOR DISCIPLINE**

16. Respondent's participation in the agreement appended hereto as Exhibit "A" and incorporated herein by reference constitutes cause for disciplinary action pursuant to Business and Professions Code section 2960(n).

**SECOND CAUSE FOR DISCIPLINE**

17. Respondent's acts of kissing and fondling K.H. as well as his verbal romantic advances toward her, constitute cause for discipline pursuant to Business and Professions Code section 2960(o).

**THIRD CAUSE FOR DISCIPLINE**

18. As indicated above, the standard of practice for a psychologist regards social or other nonprofessional contacts with patients, students, or supervisees as potentially harmful to the patient, student, or supervisee. Similarly, it is usually inappropriate for a psychologist to enter into a business or professional relationship with a patient, student, or supervisee. The fact that one relationship between the psychologist and the other person has ended before the next one begins does not excuse such multiple relationships in most cases. In this case, respondent, over a period of about 30 months, was associated with K.H. as her therapist, mentor, supervisor, co-worker, lover, social friend, business-professional associate, and tutor. Such multiple relationships over such a short time span are not merely unprofessional; this course of conduct was grossly negligent, and constitutes cause for discipline pursuant to Business and Professions Code section 2960(j).

1 FOURTH CAUSE FOR DISCIPLINE

2 19. Respondent's apparent disregard of the welfare and  
3 safety of the public in allowing a person whom he believed was  
4 mentally ill to the point of being delusional to be employed as a  
5 counselor in a counseling center where he was a director was  
6 grossly negligent, and constitutes cause for discipline pursuant  
7 to Business and Professions Code section 2960(j).

8 FIFTH CAUSE FOR DISCIPLINE

9 20. Respondent's apparent disregard for the mental and  
10 emotional well being of K.H. was also grossly negligent in terms  
11 of recognized principles of the practice of psychotherapy. As a  
12 general rule, the principles of psychology hold that conduct  
13 which reenforces an individual's delusional beliefs is harmful to  
14 the individual in question. Respondent's participation in the  
15 agreement evidenced by Exhibit A and his apology for behavior  
16 which he believed had never occurred constitutes cause for  
17 disciplinary action pursuant to Business and Professions Code  
18 section 2960(j).

19 PRAYER


20 **WHEREFORE**, the complainant requests that a hearing  
21 be held on the matters herein alleged, and that following the  
22 hearing, the Division issue a decision:

- 23 1. Revoking or suspending Psychologist License Number  
24 11627, heretofore issued to respondent Loren Lance Lee;  
25 2. Ordering the respondent to pay the Board the  
26 actual and reasonable cost of the investigation and enforcement  
27 of this case;

3. If probation is ordered, ordering respondent to pay the Board the actual cost of probation monitoring;

4. Taking such other and further action as the Board  
deems necessary and proper.

DATED: December 1, 1999

  
THOMAS O'CONNOR  
Executive Officer  
Board of Psychology  
Department of Consumer Affairs  
State of California

Complainant

**EXHIBIT A**

**STIPULATION OF AGREEMENT  
BETWEEN  
LOREN (LANCE) LEE, AN AFFILIATED PSYCHOLOGIST  
WITH THE CHRISTIAN COUNSELING CENTER, SAN JOSE, CA  
AND  
[REDACTED]  
HUSBAND AND WIFE**

This stipulation is an agreement of settlement between Loren (Lance) Lee, an affiliated psychologist (hereinafter referred to as the therapist) with the Christian Counseling Center, San Jose, CA, and [REDACTED] (hereinafter referred to as the patient) and her husband, [REDACTED], for the unethical conducts which the therapist exhibited that have caused injuries to the patient and inflicted damage to her marriage relationship.

It is stipulated that:

1. The therapist apologizes for the injuries, both emotionally and physically, he has inflicted upon the patient.
2. The therapist agrees to refund all fees charged to the patient during 1996 and 1997 for the amount of \$1,245, payable upon the signing of this agreement.
3. The therapist agrees to pay for the cost of patient's future psychiatric therapy and marriage counseling for the recovery of such injuries. The duration of the therapy and counseling will be approximately 10 months, for a total cost of \$6,000, payable within two weeks after the signing of this agreement.
4. In taking full responsibility for any and all of his actions, the therapist agrees to submit himself, for a duration of no less than one year, to the counseling and rehabilitation program, under the auspices of the Colleague Assistance Program for Impaired Clinicians of the California Psychological Association (CLASP/CPA). His participation in this program will be superintended by Dr. John Patterson, and open to verification by the patient or her husband. During the time when he undergoes the CLASP/CPA program, he will cease his counseling practice for at least three months, and depending on the progress of this program, not resume his administrative association with the Christian Counseling Center for at least six months.
5. The therapist agrees to stay away from the patient for a minimum duration of three years. The term, "Staying away", means no communications, whether written, verbal, visual or otherwise, be initiated by the therapist. The therapist further agrees to keep a distance of at least 100 yards physically from the patient at all times during these three years.

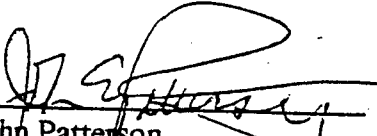
6. Based upon the successful execution of the first five items in this stipulation, the patient and her husband agree to not pursue administrative complaint with the State of California Board of Psychology for sanctions against the therapist, or seek legal actions for recovery of loss due to the specifics related to the behavior mentioned heretofore that had inflicted injuries to the patient.


This stipulation, however, does not bind the patient in the future from supporting other female patients who may be injured by the therapist in similar manners.

Any violation of items one through five by the therapist nullifies this agreement, and frees the patient and her husband to pursue administrative and legal actions at their disposal.

The above stipulation is agreed upon by both parties on May 13<sup>th</sup>, 1998.

  
Loren (Lance) Lee

  
John Patterson  
(for Christian Counseling Center)



DECLARATION OF SERVICE BY CERTIFIED MAIL

In the Matter of the Accusation Filed  
Against:

Loren Lance Lee, Ph.D.

No. : W178

I, the undersigned, declare that I am over 18 years of age and not a party to the within cause; my business address is 1422 Howe Avenue, Ste. 22 Sacramento, California 95825. I served a true copy of the attached:

DECISION AND ORDER

by mail on each of the following, by placing same in an envelope (or envelopes) addressed (respectively) as follows:

NAME AND ADDRESS

CERT NO.

Loren Lance Lee, Ph.D.  
290 Los Gatos Almaden Road  
Los Gatos, CA 95032

7000 0520 0021 8424 3127

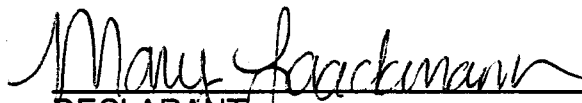
Julian Hubbard, Esq.  
120 North El Camino Real  
San Mateo, CA 94401

Bruce W. Ebert, Ph.D., Esq.  
775 Sunrise Avenue, #160  
Roseville, CA 95661

Alfredo Terrazas  
Deputy Attorney General  
1515 Clay Street, 20<sup>th</sup> Floor  
Oakland, CA 94512

Each said envelope was then on, May 16, 2001, sealed and deposited in the United States mail at Sacramento, California, the county in which I am employed, as certified mail, with the postage thereon fully prepaid, and return receipt requested.

Executed on, May 16, 2001, at Sacramento, California.  
I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

  
DECLARANT  
Mary Laackmann  
Enforcement Analyst